GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2815
ANSWERED ON:17.12.2004
LOCAL AREA BANKS
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Will the Minister of FINANCE be pleased to state:

(a) the details of applications received by the Government by the States for setting up local area banks, State-wise; and

(b) the action taken by the Government on those applications, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b). The Reserve Bank of India(RBI) has reported that it had received 227 applications for setting up of Local Area Banks in Private Sector, of which 21 y applications were rejected and 4 applications were withdrawn. The State-wise details oj these applications are not available with the RBI. Licences were Issued for setting up Local Area Banks, one each in Punjab, Gujarat, Rajasthan, Maharashtra and two ir Andhra Pradesh.